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HOUSE BILL 1244

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

LEO C. WATCHMAN, JR.

AN ACT

RELATING TO TAXATION; PROVIDING FOR A LOCAL OPTION COUNTY
ESSENTIAL SERVICES GROSS RECEIPTS TAX; ENACTING A SECTION OF THE
COUNTY LOCAL OPTION GROSS RECEIPTS TAXES ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the County Local Option Gross
Receipts Taxes Act is enacted to read:

"~~[NEW MATERIAL]~~ COUNTY ESSENTIAL SERVICES GROSS RECEIPTS
TAX-- REFERENDUM REQUIRED-- RATE OF IMPOSITION-- USES. --

A. The majority of the members of the governing body
of a qualifying county may enact an ordinance or ordinances
imposing an excise tax not to exceed a rate of one percent of
the gross receipts of any person engaging in business in the
county for the privilege of engaging in business in the county.
An ordinance imposing an excise tax pursuant to this section

Underscored material = new
[bracketed material] = delete

1 shall impose the tax in increments of one-fourth of one percent
2 per year until the full amount of the tax is imposed.

3 B. The tax imposed pursuant to this section is to be
4 referred to as the "county essential services gross receipts
5 tax".

6 C. The governing body of a qualified county shall
7 pass a resolution calling for a referendum on the question of
8 whether to approve or disapprove the ordinance imposing the
9 county essential services gross receipts tax if:

10 (1) a petition that requests that a referendum
11 be conducted:

12 (a) has been signed by five percent of
13 the qualified registered voters of the county; and

14 (b) is filed with the county clerk within
15 thirty days from the date of enactment of the ordinance imposing
16 the county essential services gross receipts tax; and

17 (2) the signatures on the petition requesting a
18 referendum are verified by the county clerk and the petitions
19 contain the required number of signatures of qualified
20 registered voters.

21 D. The referendum shall be held within sixty days
22 from the date of when the petition names are verified or in
23 conjunction with a general election if that election is held
24 within sixty days after the county clerk verifies the petition
25 signatures.

Underscored material = new
[bracketed material] = delete

1 E. The election shall be called, conducted and
2 canvassed in substantially the same manner as provided by law
3 for general elections.

4 F. If a majority of the qualified registered
5 electors voting on the question:

6 (1) approves the imposition of the county
7 essential services gross receipts tax, the ordinance shall go
8 into effect on January 1 or July 1 following the referendum,
9 whichever comes first, and the first one-fourth of one percent
10 of the county essential services gross receipts tax shall be
11 imposed; or

12 (2) disapproves the imposition of the county
13 essential services gross receipts tax, the ordinance shall be
14 deemed repealed and the question of imposing a county essential
15 services gross receipts tax shall not be considered again by the
16 governing body for a period of one year.

17 G. Imposition of the subsequent three increments of
18 a county essential services gross receipts tax shall not be
19 subject to a referendum, but shall occur automatically in each
20 subsequent year following the imposition of the first one-fourth
21 of one percent.

22 H. The county essential services gross receipts tax
23 may be used by a county to provide essential governmental
24 services, including law enforcement, fire protection, solid
25 waste management, water and sewer system expansion and

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[bracketed material] = delete

1 maintenance, governmental facility construction, juvenile
2 justice facilities or technology equipment for the courts,
3 bureau of elections or other governmental service offices.

4 I. As used in this section, "qualifying county"
5 means a class B county with a population according to the 1990
6 decennial census of greater than sixty thousand but less than
7 sixty-two thousand and a net taxable value for rate-setting
8 purposes for the 1995 property tax year of greater than five
9 hundred million dollars (\$500,000,000) but less than five
10 hundred fifty-five million dollars (\$555,000,000). "